Bifurcation of UTI

†694. SHRI JANESHWAR MISHRA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Government have decided to bifurcate UTI and handover one part to professional management;

(b) if so, the reasons therefore;

(c) whether it is also a fact that UTI will become weaker by such bifurcation; and

(d) if so, the reasons for taking this step?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir. Government have decided to bifurcate UTI to restrict the liability of Government and thereby distance Government from mutual fund activities.

(c) No, Sir.

(d) Does not arise.

Deterioration in fiscal situation

695. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the World Bank has recently communicated its serious concern on the state of fiscal deficit in the country and urged upon Government to take urgent steps in this regard to improve the investment climate;

(b) if so, whether Government have undertaken any serious study of the problem including the reasons for fiscal deficit of the various State Governments and their unsustainable debt burden; and

(c) the steps proposed to be taken in this direction to take the country out of the deep financial morass?

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†Original notice of the question was received in Hindi.